



CITY OF HAMILTON
PUBLIC WORKS DEPARTMENT
Hamilton Water Division

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	September 21, 2015
SUBJECT/REPORT NO:	Amendment to By-law No. R84-026 (Waterworks By-law) (PW15070) - (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Nick Winters (905) 546-2424, Extension 1474 Andrew Grice (905) 546-2424, Extension 1461
SUBMITTED BY:	Gary Moore, P. Eng. Acting General Manager Public Works Department
SIGNATURE:	

RECOMMENDATION

- (a) That the City of Hamilton Waterworks By-law R84-026 be amended to include authority for the General Manager of Finance and Corporate Services to adjust water billings for consumers who experience abnormally high water usage resulting from a direction made by the General Manager of Public Works;
- (b) That the City Solicitor be authorized and directed to prepare all necessary by-laws, for Council approval, in order to implement recommendation (a).

EXECUTIVE SUMMARY

In 2015 the City of Hamilton experienced a second consecutive extreme winter season. The month of February 2015 in particular was one of the coldest months ever recorded by Environment Canada dating back over 100 years. This resulted in a significant increase in the occurrence of frozen water services throughout the City, and a corresponding increase in:

1. The number of properties with a history of water service freezing occurring on the public portion of the water service that were directed by the City to continuously run a low flow of water in an effort to prevent water service freezing; and,
2. The number of properties that supplied a neighbour (with a frozen water service), with water via a temporary overland “house-to-house” connection.

During the winters of 2014 and 2015, properties meeting either of these criteria have had their water billings adjusted so that they did not incur costs associated with the

increased water consumption. The proposed amendment to the Waterworks By-law No. R84-026 (“Waterworks By-law”) will formalize the City’s authority to make water billing adjustments for these scenarios, and the manner by which these adjustments will be made. Specifically the amendments will make it clear:

1. That the General Manager of Public Works may direct a property owner (with a history of water service freezing occurring on the public portion of the water service) to run a continuous low flow of water in an effort to prevent freezing of the water service connection to a premises;
2. In the event that a property experiences a frozen water service, that the General Manager of Public Works may allow a neighbouring property to supply water via a temporary overland house-to-house connection; and,
3. In either of these scenarios, that the General Manager of Finance and Corporate Services may adjust consumers’ water billings for the corresponding time period, and charge consumers based on an equivalent period of prior usage, or where this is not possible, the consumption of a like property will be the basis for adjustment.

The amendment to the Waterworks By-law will assist in assuring water consumers that they will not be billed for abnormally high water usage resulting from these scenarios.

Alternatives for Consideration – See Page 5

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The recommendations in this report would result in the City not realizing rate revenues associated with increased metered water usage that would occur when property owners are directed by the City to take an action that will result in an abnormally high water usage for a period of time.

Horizon Utilities as the City’s water and wastewater/storm billing agent, adjusted the accounts of 618 properties in winter 2015 resulting to a total combined water and wastewater/storm revenue write-off of approximately \$67,000 which equates to an average write-off of \$109 per property. This is the result of City staff advising identified property owners to run water to prevent frozen water service lines beginning in early February 2015 until instructed to discontinue in mid-April 2015.

Staffing: Horizon Utilities adjusts identified accounts to historical usage via a manual process. Based on increasing account volumes, the task of adjusting accounts is administratively time consuming however to date, has been contained within existing staffing levels.

Legal: N/A

HISTORICAL BACKGROUND

During the past two winter seasons, municipalities across Ontario including the City of Hamilton have experienced a dramatic increase in the number of frozen water services. The month of February 2015 in particular was one of the coldest months ever recorded

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by Environment Canada dating back over 100 years. This resulted in a significant increase in the occurrence of frozen water services throughout the City, and a corresponding increase in:

1. The number of properties with a history of water service freezing occurring on the public portion of the water service that were directed by the City to continuously run a low flow of water in an effort to prevent water service freezing; and,
2. The number of properties that supplied a neighbour (with a frozen water service), with water via a temporary overland “house-to-house” connection.

Table 1 below provides statistics for the winters of 2014 and 2015, in comparison to the 5-year average from 2009 through 2013:

Table 1: Winter 2015 Summary

Description	2009 – 2013 Average	2014	2015
Frozen Service Calls	30	674	1213
Properties with Frozen Services Thawed by City Forces	5	197	569
Properties Directed to Run Water to Prevent Water Service Freezing	0	196	775
House-to-House Connections	0	10	121
Properties Requiring Water Billing Adjustments	0	112	618

During the winters of 2014 and 2015, properties meeting criteria one or two above have had their water billings adjusted so that they did not incur costs associated with the increased water consumption. The proposed amendment to the Waterworks By-law will formalize the City’s authority to make water billing adjustments assuring water consumers that they will not be billed for abnormally high water usage resulting from these scenarios.

The recommendations contained in this report support the Mission Statement of the Public Works Business Plan "Innovate Now" - "Provide safe, strategic and environmentally conscious services that bring our communities to life".

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Not Applicable

RELEVANT CONSULTATION

The following Divisions were consulted and support the recommendations in this report:

1. City Manager’s Office – Legal Services Division;
2. Corporate Services Department – Financial Planning and Policy Division.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

In consideration for property owners during the winters of 2014 and 2015, the City adjusted water billings for properties that either:

1. Had a history of water service freezing occurring on the public portion of the water service and were directed by the City to continuously run a low flow of water in an effort to prevent water service freezing; or,
2. Supplied a neighbour (with a frozen water service), with water via a temporary overland “house-to-house” connection.

This tactic allowed properties with a history of water service freezing occurring on the public portion to continuously run a low flow of water in order to prevent water service freezing without incurring costs associated with the increased water consumption. It also allowed neighbours to supply water to properties with frozen water services via house-to-house connections, similarly without incurring costs associated with the increased water consumption.

It is important to note that supplying a home with water via a house-to-house connection allows the receiving home to use all of their fixtures as normal for the period for which they are being supplied in this manner. The only difference is that the water their home is receiving is not characterized for potable use (drinking and cooking); unless it is brought to a rolling boil for a full minute.

On February 11, 2015, City staff notified 206 properties to begin running their water in an effort to prevent a frozen water service. This notification was the result of City frost monitoring efforts identifying that frost in some areas had reached depths at which water service freezing was a risk. Of these 206 properties, most of which experienced a frozen water service in winter 2014 or previous winters, 168 properties (81.5%), did not experience a frozen water service during the winter of 2015.

In the future, the City’s first line of defence for the prevention of frozen water services will be communication with properties to advise those approximately 775 with a history of water service freezing occurring on the public portion to continuously run a low flow of water in order to prevent water service freezing. This notification will be provided when City frost monitoring efforts identify that frost in some areas reaches depths at which water service freezing is a risk.

In parallel as soon as it becomes obvious that properties are experiencing frozen water services, Hamilton Water staff will provide property owners with details about establishing a house-to-house connection. This connection will allow the receiving home to use all of their fixtures as normal for the period for which they are being supplied in this manner, and allow the City or the property owner’s contractor to respond and thaw the frozen water service.

Responding to future extreme winters using this tandem approach should allow properties to continue receive water service with as little inconvenience as possible, while avoiding unnecessary expenses and customer frustration.

The recommended change to the Waterworks By-law will formalize the authority for the General Manager of Finance and Corporate Services to make water billing adjustments for the scenarios mentioned above, and the manner by which these adjustments will be made.

Comparable by-laws for the City of Ottawa and Region of Durham contain similar provisions whereby customers may be advised to run water at a low rate, where it is necessary or desirable to do so, such as to prevent the initial freezing of the water service line or to prevent refreezing in a situation where a service line has been thawed.

The City of Winnipeg similarly has a preventive program whereby thousands of customers are advised to run the water at a low rate to prevent freezing during unusually cold winters. In 2014, Winnipeg saw thousands of customers who experienced frozen water service lines that were still running water in June of 2014.

ALTERNATIVES FOR CONSIDERATION

City Council could choose not to approve the recommendations made within this report. However this would prevent City staff from having legislative backing for future frozen water service related issues that require adjustment of water billings.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

- 1.5 Support the development and implementation of neighbourhood and City wide strategies that will improve the health and well-being of residents.

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

- 2.2 Improve the City's approach to engaging and informing citizens and stakeholders.
- 2.3 Enhance customer service satisfaction.

Strategic Priority #3

Leadership & Governance

WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.

Strategic Objective

3.4 Enhance opportunities for administrative and operational efficiencies.

APPENDICES AND SCHEDULES ATTACHED

None